

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

July 05, 2011

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

34 July 5, 2011

SACHI A. HAMAI EXECUTIVE OFFICER

CHANGE IN WORK FOR A PUBLIC WORKS CONTRACT
QUEENSWAY SOUTHBOUND RAMPS J AND K
OVER HARBOR SCENIC DRIVE
IN THE CITY OF LONG BEACH
(SUPERVISORIAL DISTRICT 4)
(4 VOTES)

SUBJECT

This action is to approve a change in work and the increased contract amount for a public works construction contract for Queensway Southbound Ramps J and K over Harbor Scenic Drive, in the City of Long Beach.

IT IS RECOMMENDED THAT YOUR BOARD:

Find the requested changes in the work related to a settlement amount to resolve all claims on the project of \$572,931.32, will have no significant effect on the environment and approve the change and increased contract amount for Project ID No. RDC0012103 – Queensway Southbound Ramps J and K over Harbor Scenic Drive, to seismically strengthen an existing bridge, in the City of Long Beach, being performed by A.M. Classic Construction, Inc.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to obtain approval of the project from your Board for a change in this public works contract in support of the timely completion of the project while avoiding delays and the potential for additional claims. The description of the changes, estimated costs, and the necessary time extensions are listed in the enclosure.

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The Director of Public Works (Director) or her designee has been authorized by your Board to order changes in work up to \$10,000 for construction contracts. Enclosed for your Board's approval are changes in work in excess of the Director's delegated limit, which is required to complete the project.

PRIOR PRESENTATION OF THIS MATTER TO YOUR BOARD

On December 2, 2008, your Board advertised and gave authority to the Director or her designee to award and execute a contract with the apparent responsible contractor with the lowest responsive bid and on March 17, 2009, the Department of Public Works (Public Works) awarded a contract to A.M. Classic Construction, Inc., (A.M. Classic), for the seismic strengthening of the Queensway Southbound Ramps J & K over Harbor Scenic Drive project. On April 15, 2010, Public Works issued the Notice to Proceed and the contractor commenced the project.

On November 19, 2010, A.M. Classic demobilized from the project site. On December 10, 2010, Public Works notified A.M. Classic to resume work or risk being found in default. The project was approximately 35 percent complete when the work ceased.

On March 8, 2011, this matter came before your Board as Agenda Item 29 with a recommendation to terminate A.M. Classic's right to perform under the contract. Mr. Asghar Mahdavi, the president of A.M. Classic, requested that your Board reject Public Works' recommendation. Your Board directed Public Works and County Counsel to hold a hearing to determine if there was a reasonable basis for the contractor's failure to perform the requested work.

Public Works conducted the hearing as directed on April 8, 2011. On April 21, 2011, the Hearing Officer issued a report concluding that while Public Works had a reasonable basis for recommending termination for default, there was an insufficient factual basis to reach conclusions as to the extent to which the acts of the agency may have contributed to the delays in completing the work. On April 26, 2011, your Board approved Supervisor Don Knabe's motion that directed Public Works to negotiate with A.M. Classic in the interest of resolving differences and restarting the project as quickly as possible.

After conducting numerous meetings with A.M. Classic, Public Works recommends \$572,931.32 as full and final settlement for all of the contractor's claims associated with extra costs, delays, and difficulty with construction.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). Approval of these changes will provide improved infrastructure to better serve the public and enhance the quality of life in the affected community.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The estimated change order amount for this contract is \$572,931.32.

This project is entirely within the City of Long Beach. The project has been administered under the Highway Bridge Program as covered by Agreement 76078 with the State of California. Under this

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program, Federal funds allocated to local agencies are used to finance a portion of the qualifying costs of the bridge seismic retrofit projects. The remaining portion of the costs of the project will be funded with State Proposition 1B Transportation funds. Qualifying costs are apportioned 88.53 percent Federal and 11.47 percent State Proposition 1B Transportation funds. Funding for this project is included in the Fourth Supervisorial District's Road Construction Program in the Recommended Fiscal Year 2011-12 Road Fund Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract for the construction of this public works improvement was awarded by your Board on March 17, 2009, to an apparent responsible contractor with the lowest responsive bid in accordance with the State Public Contract Code, your Board's directives, and as recommended by the Director or her designee.

ENVIRONMENTAL DOCUMENTATION

On April, 17, 2007, Agenda Item 44, your Board found this project statutorily exempt from the provisions of the California Environmental Quality Act.

CONTRACTING PROCESS

The contract provides that the contractor be compensated for the work resulting from changes to the original plans and specifications or changed conditions encountered during the course of construction. The costs are based on contract unit prices, time and materials, or negotiated under the provisions of the contract specifications. The method for arriving at the costs of the changes is included in the enclosure.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the requested change by your Board will ensure the timely completion of work under the contract and result in complete and usable facilities.

CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works, Construction Division.

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Haie Farher

Respectfully submitted,

GAIL FARBER

Director

GF:JTS:ss

Enclosures

Chief Executive Office (Rita Robinson)
 County Counsel
 Executive Office
 Office of Affirmative Action Compliance

CHANGE IN WORK (APPROVE) July 5, 2011

PROJECT ID NO. RDC0012103 – Queensway Southbound Ramps J and K over Harbor Scenic Drive (in the City of Long Beach), Supervisorial District 4, Contractor: A.M. Classic Construction, Inc.

Project Description:

Seismic strengthening of an existing bridge.

Change in Work:

Extra costs and delays

\$572,931.32

Description of Change:

Due to interfering utilities and difficulties with the construction, the contractor was delayed in completing the work. It is necessary to compensate the contractor for the additional labor, equipment, and material costs for this delay.

The cost for this item was negotiated based on a negotiated price as provided in subsection 3-2.

A total of 163 additional working days will be required because of this change.

Financial Information:

This project is entirely within the City of Long Beach. This project is administered under the Highway Bridge Program as covered by Agreement 76078 with the State of California. Under this program, Federal funds allocated to local agencies are used to finance a portion of the qualifying costs of the bridge seismic retrofit projects. The remaining portion of the costs of the project will be funded with State Proposition 1B Transportation funds. Qualifying costs are apportioned 88.53 percent Federal and 11.47 percent State Proposition 1B Transportation funds. Funding for this change in work is included in the Fourth Supervisorial District's Road Construction Program in the Recommended Fiscal Year 2011-12 Road Fund Budget.

Revised Contract Amount:

Original contract amount Changes in work approved by the Director of Public Works Change in work to be approved Revised contract amount	\$3,840,516.25 (100,000.00) <u>572,931.32</u> \$ <u>4,313,447.57</u>		
		Percent total change to original contract amount	12%

JFG:bc